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18TH FLOOR PROVIDENT TOWER
ONE EAST FOURTH STREET

CINCINNATI, OHIO 45202

(513) 579-6400

13640

RECORDATION NO. Filed 1425

MAY 13 1982 - 2 10 PM

INTERSTATE COMMERCE COMMISSION

RICHARD L. CREIGHTON, JR.
PAUL V. MUETHING
JEROME C. RANDOLPH
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COUNSEL
* ALSO ADMITTED TO
PRACTICE IN KENTUCKY

Direct Dial: 579-6419

RECORDATION NO. Filed 1425

2-133A046

May 11, 1982

13640

MAY 13 1982 - 2 10 PM

INTERSTATE COMMERCE COMMISSION

Secretary of the Interstate
Commerce Commission
Washington, DC 20423

MAY 13 1982

Fee \$ 100.00

ICC Washington, D. C.

Dear Sir:

This firm is counsel to S. Craig Lindner Accompanying this letter for recordation in the order listed below pursuant to 49 U.S.C. 11303 are an original and three counterparts of each of the following documents:

(1) Security Agreement between S. Craig Lindner, Owner, and Seattle-First National Bank, Lender, dated as of May 10, 1982.

(2) Assignment of Contract Rights and Rents between S. Craig Lindner, Owner, and Seattle-First National Bank, Lender, dated as of May 10, 1982.

The names and addresses of the parties to these documents are as follows:

S. Craig Lindner, Owner and
Debtor
One East Fourth Street
Cincinnati, Ohio 45202

Seattle-First National Bank,
Lender and Secured Party
1001 Fourth Avenue
Seattle, Washington 98154

Attention: John Mills, Vice
President

RECEIVED
MAY 13 2 01 PM '82
FEE OPERATION BR.

The equipment covered by the documents consists of five (5) 100-ton 52'6" gondola cars, having identifying marks of CAGY 13019 and 13043-10346.

Secretary of the Interstate
Commerce Commission
May 11, 1982
Page Two

I am also enclosing our check in the amount of \$100 in
payment of your recordation fees.

Please return two stamped copies of each of the enclosed
documents and this letter to:

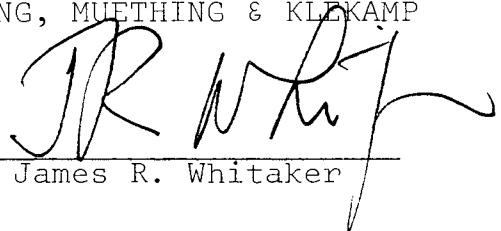
Keating, Muething & Klekamp
18th Floor, Provident Tower
One East Fourth Street
Cincinnati, Ohio 45202

Attention: James R. Whitaker

Sincerely,

KEATING, MUETHING & KLEKAMP

BY:


James R. Whitaker

crg

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

5/13/82

OFFICE OF THE SECRETARY

**Keating, Muething & Klekamp
18th Floor, Provident Tower
One East Fourth Street
Cincinnati, Ohio 45202
Attn: James R. Whitaker**

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **5/13/82** at **2:10pm**, and assigned re-recording number(s). **13640 & 13640-A**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

13640

RECORDATION NO. _____ Filed 1425

MAY 13 1982 - 2 10 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

BETWEEN

S. CRAIG LINDNER, OWNER

AND

SEATTLE-FIRST NATIONAL BANK, LENDER

DATED AS OF MAY 10, 1982

(COVERING FIVE 52'6" 100 TON GONDOLAS)

Filed and recorded with the Interstate Commerce Commission
pursuant to the Interstate Commerce Act on 5/13,
1982 at 2:10 pm, Recordation No. 13640.

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (the "Agreement") dated as of May 10, 1982 is made and entered into by and between S. CRAIG LINDNER ("Owner") and SEATTLE-FIRST NATIONAL BANK ("Lender").

W I T N E S S E T H:

WHEREAS, Owner is the sole owner of five (5) 100 ton 52'6" gondola cars ("Units") purchased from Thrall Car Manufacturing Company;

WHEREAS, Owner and lender have entered into a Loan Agreement of even date herewith providing for the loan to Owner pursuant to a Promissory Note of the principal sum of Four Hundred Thousand Dollars (\$400,000);

WHEREAS, Owner has entered into an Agency and Pooling Agreement dated as of March 25, 1980 ("Agency Agreement") pooling the Units with forty-five (45) other gondola cars and appointing Railway Freight Car Services, Inc., a New York corporation, as Agent for the Owner;

WHEREAS, Railway Freight Car Services, Inc. ("Agent") has entered into a Management Agreement dated as of March 25, 1980 ("Management Agreement") with the Columbus & Greenville Railway Company ("Manager") for the management of the Units; and

WHEREAS, Lender, as a condition to making the aforesaid loan and as security therefor has required a grant of a security

interest in the Units and has further required the agreement and undertaking of Owner hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

(1) As security for the prompt and complete payment when due of the principal of and interest on the Promissory Note and the payment of all other sums due and owing under the Loan Agreement or this Agreement (all of the foregoing being hereinafter called the "Obligations"), the Owner does hereby assign, convey, mortgage, pledge and transfer to the Lender and does hereby grant to the Lender a continuing security interest in the Units and any and all proceeds thereof.

(2) In order to induce the Lender to enter into this Agreement and to make the loan under the Loan Agreement, the Owner represents and warrants to the Lender that:

(a) The Agency Agreement and the Management Agreement have been duly authorized, executed and delivered by the parties thereto and constitute the legal, valid and binding obligations of the parties thereto enforceable in accordance with their terms.

(b) The Owner has good and valid title to, and is the lawful owner of, the Units more fully described in Exhibit A

hereto, free and clear of all liens whatsoever, except the lien and security interest created by this Agreement.

(c) Each Unit conforms to all Department of Transportation and Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads applicable to railroad equipment of the same type as the Units.

(d) Upon the filing of this Agreement in the manner prescribed in Section 11303, Title 49 of the United States Code and in the related regulations of the Interstate Commerce Commission and the filing of financing statements covering the collateral in the Office of the Secretary of State of Ohio and the County Recorder of Hamilton County, Ohio, this Agreement will constitute a legal, valid and perfected first lien on and first priority security interest in each of the Units described herein as security for the Obligations, free and clear from all other liens except liens permitted under the Agency Agreement or Management Agreement.

(3) The Owner agrees to preserve the Units during the term of this Agreement and agrees as follows:

(a) The Owner will not create, permit or suffer to exist and would defend the collateral against, and take such other action as is necessary to remove, any lien, claim or right in or to the Units (other than the lien and security

interest created by this Agreement and liens permitted under the Agency Agreement and the Management Agreement) and would defend the right, title and interest of the Lender in and to the Units and the proceeds thereof against the claims and demands of all other persons whomsoever.

(b) The Owner will not, without the prior written consent of the Lender, sell transfer or otherwise dispose of the Units or attempt or offer to do so.

(c) The Owner will advise the Lender promptly, in reasonable detail, of any lien or claim made or asserted against any of the Units or of any event affecting the Lender's lien on and security interest in the Units.

(4) The Owner will at all times during the term of the aforesaid loan, affect and maintain or cause to be affected and maintained with financially sound and reputable companies, insurance policies:

(a) insuring each such Unit against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the ownership and leasing of railroad freight cars and with coverage in an amount at least equal to the Casualty Value of such Unit; and

(b) insuring the Owner and Lender against liability for personal injury and property damage caused by or relating to such Units or their use with coverage in an amount of at

least Ten Million Dollars (\$10,000,000). All such insurance policies shall be in such form and have such coverage as shall be reasonably satisfactory to the Lender and provide for at least thirty (30) days prior written notice to the Lender before any cancellation, reduction in amount or change in coverage thereof shall be effective and contain a breach of warranty clause in favor of Lender.

(5) In the event any Unit shall become lost for a period of at least thirty (30) consecutive days, or shall be stolen, destroyed or irreparably damaged from any cause whatsoever, or upon the occurrence of the confiscation, condemnation, seizure, forfeiture of, or other requisition of, title to, or use of, such Unit by any governmental authority ("Casualty Occurrence"), the Owner shall promptly give the Lender written notice of such Casualty Occurrence. On the next date for the payment of any installment of principal and interest on the Promissory Note under the Loan Agreement which is not less than ninety (90) days following the date of such Casualty Occurrence, the Owner shall pay to the Lender an amount obtained by multiplying the unpaid principal balance of the Promissory Note under the Loan Agreement at the time set for payment of the Casualty Value by a fraction, the numerator of which is the invoice cost of such Unit and the denominator of which is the sum of the invoice costs of all Units which are then subject to the lien and security interest of this Agreement and the invoice cost of the barge called the CIA 162 if

it is then subject to the lien of the First Preferred Mortgage of Vessel of even date herewith ("Casualty Value"). Upon the Owner's compliance with the foregoing provisions of this Section, the Lender will, if no Event of Default has occurred and is continuing, execute and deliver to the Owner such instruments as shall be necessary to release such Unit from the lien and security interest of this Agreement (without recourse to, or representation or warranty by, the Lender).

(6) The Owner hereby agrees to perform all of his duties and obligations under the Agency Agreement and the Management Agreement and will promptly give written notice to the Lender of the occurrence of any default or Event of Default under this Agreement or under the Agency Agreement or the Management Agreement.

(7) The occurrence of any or more of the following events (herein sometimes called a "default") shall constitute an "Event of Default," provided that there has been satisfied any requirement in connection with such event for the giving of notice or the lapse of time, or the happening of any further condition, event or act, it being agreed that time is of the essence hereof:

(a) if any quarterly installment payment under the Promissory Note is not paid when and as the same shall be due and payable;

(b) if there shall be a default in the due and punctual observance or performance or any other agreement or covenant of this Agreement, the Promissory Note, the Loan Agreement or

the Assignment of Contract Rights and Rents (hererinafter "Security Documents") and said default shall continue for a period of thirty (30) days after written notice specifying such default shall have been given to the undersigned by Lender;

(c) if any representation or warranty made in this Agreement or the Security Documents or in any certificate or other writing delivered pursuant hereto or thereto shall prove to be incorrect in any material respect as of the time when the same shall have been made and said default shall continue for a period of thirty (30) days after written notice specifying such default shall have been given to the undersigned by Lender;

(d) if the validity or enforceability of the Security Documents or the lien on the Units granted by this Agreement shall be impaired in any respect or to any degree, or if any lien, charge, security interest, mortgage, pledge or other encumbrance shall be created or imposed upon the Units and said default shall continue for a period of thirty (30) days after written notice specifying such default shall have been given to the undersigned by Lender;

(e) if any default shall continue, after the expiration of any applicable cure period, in the due and punctual performance and observance of any of the terms, provisions, conditions, duties or obligations contained in

(i) the Loan Agreement, or (ii) the Assignment of Contract Rights and Rents, or (iii) any other loan agreement, promissory note or other form of indebtedness, mortgage, security agreement or any other form of indebtedness, mortgage, security agreement or any other security instrument to which the undersigned is a party or by which Owner or any of Owner's properties are bound such that the indebtedness evidenced or secured thereby shall become due and payable prior to the date on which the same would otherwise become due and payable;

(f) if the Units shall be abandoned by Owner for a period of thirty (30) days or if the Units shall cease to be managed by manager satisfactory to Lender, or on terms and conditions satisfactory to Lender, which satisfaction, in each case, will not be unreasonably withheld;

(g) if the Owner shall file a petition in voluntary bankruptcy under any chapter of the Federal Bankruptcy Act or any similar law, state or federal, now or hereafter in effect;

(h) if the Owner shall file an answer admitting insolvency or inability to pay his debts;

(i) if within ninety (90) days after the filing against the Owner of any involuntary proceedings under such Bankruptcy Act or similar law, such proceedings shall not have been vacated or stayed;

(j) if the Owner shall be adjudicated a bankrupt, or if a trustee or receiver shall be appointed for the Owner or any portion of the Owner's property or the Units, in any involuntary proceeding, and such trustee or receiver shall not be discharged within ninety (90) days; or

(k) if the Owner shall make an assignment for the benefit of creditors or shall admit in writing his inability to pay his debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator for any of his property or the Units.

When an Event of Default shall occur and be continuing:

(a) all payments received by the Owner in connection with or arising out of any of the Units shall be held by the Owner in trust for the Lender, shall be segregated from other funds of the Owner and shall forthwith upon receipt by the Owner be turned over to the Lender, in the same form as received by the Owner; any and all such payments so received by the Lender may, in the sole discretion of the Lender, be held by the Lender as collateral security for the Obligations, and/or then at anytime thereafter be applied in whole or in part by the Lender against all or part of the Obligations then due in such order as the Lender shall elect;

(b) the Lender may institute suits, actions and proceedings for the collection of all amounts then payable

in respect of the Obligations and enforce any judgment obtained;

(c) the Lender may exercise in addition to all other rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Uniform Commercial Code of the State of Ohio. Without limiting the generality of the foregoing, the Owner expressly agrees that in any such event the Lender, without demand of performance or other demand, advertisement or notice of any kind to or upon the Owner or any other person may forthwith collect, receive, appropriate and realize upon the Units or any part thereof and may take possession of the Units and/or may forthwith sell, assign, give option or options to purchase or sell, lease or otherwise dispose of and deliver the Units, or any part thereof, in any manner permitted by applicable law in one or more parcels at a public or private sale or sales, at the office of any broker or at any of the Lender's offices or elsewhere at such places as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk with the right of Lender upon any such sale or sales, public or private, to purchase the whole or any part of the Units sold, free of any right or equity of redemption of the Owner, which right or equity of redemption is hereby expressly

waived or released to the extent permitted by law. The Owner further agrees, at the Lender's request, to collect the Units and make them available to the Lender at places which the Lender shall reasonably select. The Lender shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization and sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any or all the Units or in any way relating to the rights of the Lender hereunder, including reasonable attorney's fees and legal expenses, to the payment in whole or in part of the Obligations, in such order as the Lender may elect, the Owner remaining liable for any deficiency remaining unpaid after such application and only after so applying such net proceeds, and after the payment by the Lender of any other amount required by any provision of law need the Lender account for the surplus, if any, to the Owner. To the extent permitted by applicable law, the Owner waives all claims, damages and demands against the Lender arising out of repossession, retention or sale of the Units. The Owner hereby waives presentment, demand, protest and any notice (to the extent permitted by applicable law) of any kind in connection with this Agreement or the Units.

(8) No failure to exercise and no delay in exercising, by the Lender, any right, power or privilege under this Agreement

or the Security Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided herein and therein are cumulative and not exclusive of any rights or remedies provided by law.

(9) The provisions of this Agreement may from time to time be amended, supplemented or otherwise modified or waived only by a written agreement signed by the Owner and the Lender.

(10) This Agreement shall be binding upon and inure to the benefit of the Owner and the Lender and their respective heirs, administrators, executors, successors and assigns, except that the Owner may not transfer or assign any of its rights hereunder without the prior written consent of the Lender.

(11) This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and interpreted in accordance with the laws of the State of Ohio.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed and delivered as of the day and year first above written.


S. CRAIG LINDNER

SEATTLE-FIRST NATIONAL BANK

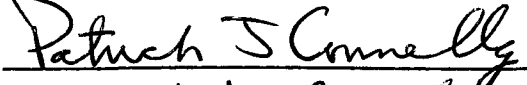
BY: 
ITS: Vice President

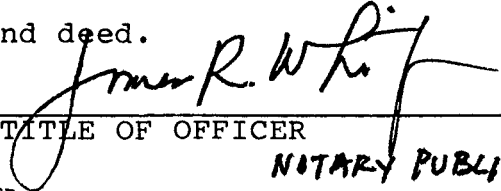
EXHIBIT A
TO
SECURITY AGREEMENT

<u>Specifications</u>	<u>Quantity</u>	<u>Manager's Road Number</u>
100-ton 52'6" gondola cars	5	13019 and 13043-13046

STATE OF OHIO)
 : SS.
COUNTY OF HAMILTON)

On this 6TH day of May, 1982, before me personally appeared
S. Craig Lindner, to me known to be the person described in and
who executed the foregoing instrument, and he acknowledged that he
executed the same as his free act and deed.

[Seal]



TITLE OF OFFICER

NOTARY PUBLIC

My commission expires: _____

JAMES R. WHITAKER, Attorney at Law
Notary Public, State of Ohio
My commission has no expiration date
Section 147.03 O. R. C.